

Office of the Secretary of Defense

§ 112.2

APPENDIX C TO PART 110—APPLICATION OF BASIC COURSE FORMULA (MALE AND FEMALE MEMBERS) (SAMPLE)

	Zone I	Zone II
Total package cost (authorized items)	\$159.29	\$180.62
Plus 10% procurement cost	15.93	18.06
Adjusted package cost	175.22	198.68
Amortization:		
2-years socks (50% of \$1.28)64	.64
2-years shoes (50% of 14.00)	7.00	7.00
2-years insignia (50% of 15.00), if applicable	7.50	7.50
5-years balance package (20% of \$144.94, Zone I) (20% of \$168.40, Zone II)	28.99	33.68
Amortized package cost	44.13	48.82
Add:		
15% custodial fees (15% of amortized package cost)	6.62	7.32
Uniform Alteration and Maintenance	10.00	10.00
Total	16.62	17.32
Net rate	60.75	66.14
Rounded for official standard rate (per year)	61.00	66.00
Special commutation rate (per year) (three times standard rate)	183.00	198.00

APPENDIX D TO PART 110—APPLICATION OF ADVANCED COURSE FORMULA (MALE AND FEMALE MEMBERS) (SAMPLE)

	Zone I	Zone II
Total package cost (authorized items)	\$159.29	\$180.62
Less insignia amortization (50% of \$15.00), if applicable	7.50	7.50
Adjusted package cost	151.79	173.12
Add:		
5% custodial fees (5% of adjusted package cost)	7.59	8.66
Uniform alteration and maintenance	10.00	10.00
Net Rate	17.59	18.66
Rounded official standard rate (2 years)	169.38	191.78
Special commutation rate (2 years) (three times standard rate)	169.00	192.00
	507.00	576.00

APPENDIX E TO PART 110—APPLICATION OF 4-WEEK SUMMER FIELD TRAINING FORMULA (SAMPLE)

	Zone I	Zone II
Total package cost (authorized items)	\$36.56	\$48.70

	Zone I	Zone II
Amortization Schedule:		
Total package less \$12.75 (boots and socks) (not reissued)	23.81	35.95
50% amortization (2-year life)	11.91	17.98
Boots and socks added	12.75	12.75
Amortized package cost	24.66	30.73
Add:		
5% custodial fees	1.23	1.54
Uniform alteration and maintenance	10.00	10.00
Net rate	35.89	42.27
Rounded for official rate	36.00	42.00

PART 112—INDEBTEDNESS OF MILITARY PERSONNEL

Sec.

- 112.1 Purpose.
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AUTHORITY: 5 U.S.C. 5520a(k) and 10 U.S.C. 113(d).

SOURCE: 60 FR 1721, Jan. 5, 1995, unless otherwise noted.

§ 112.1 Purpose.

This part: (a) Updates policy and responsibilities governing delinquent indebtedness of members of the Military Services, and prescribes policy for processing involuntary allotments from the pay of military members to satisfy judgment indebtedness in accordance with 5 U.S.C. 5520a(k).

(b) Establishes responsibility for procedures implementing 5 U.S.C. 5520a(k), 15 U.S.C. 1601 note, 1601-1614, 1631-1646, 1661-1665a, 1666-1666j, and 1667-1667e ("Truth in Lending Act"), and 15 U.S.C. 1601 note, and 1692-1692o ("Fair Debt Collection Practices Act").

(c) Designates the Director, Defense Finance and Accounting Service (DFAS), as the Department of Defense Executive Agent for forms necessary to process involuntary allotments. The Executive Agent shall publish, print, stock, distribute, and revise forms.

§ 112.2 Applicability and scope.

(a) Applies to the Office of the Secretary of Defense, the Military Departments (including the Coast Guard when it is not operating as a Military Service in the Navy by agreement with the Department of Transportation), the Chairman of the Joint Chiefs of Staff, the Unified Combatant Commands, the

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Inspector General of the Department of Defense, the Defense Agencies, and the Department of Defense Field Agencies (hereafter referred to collectively as “the Department of Defense Components”). The term “Military Services,” as used herein, refers to the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard.

(b) The provisions of this part do not apply to:

(1) Indebtedness of a member of the Military Services to the Federal Government.

(2) Processing of indebtedness claims to enforce judgments against military members for alimony or child support.

(3) Claims by State or municipal governments under the processing guidelines for complaints, including tax collection actions.

§ 112.3 Definitions.

(a) *Absence.* A member’s lack of an “appearance,” at any stage of the judicial process, as evidenced by failing to physically attend court proceedings; failing to be represented at court proceedings by counsel of the member’s choosing; or failing to timely respond to pleadings, orders, or motions.

(b) *Court.* A court of competent jurisdiction within any State, territory, or possession of the United States.

(c) *Debt collector.* An agency or agent engaged in the collection of debts described under 15 U.S.C. 1601 note and 1692–1692o (“Fair Debt Collection Practices Act”).

(d) *Exigencies of military duty.* A military assignment or missing-essential duty that, because of its urgency, importance, duration location, or isolation, necessitates the absence of a member of the Military Services from appearance at a judicial proceeding or prevents the member from being able to respond to a notice of application for an involuntary allotment. Exigency of military duty is normally presumed during periods of war, national emergency, or when the member is deployed.

(e) *Judgment.* A final judgment must be a valid, enforceable order or decree, by a court from which no appeal may be taken, or from which no appeal has been taken within the time allowed, or from which an appeal has been taken

and finally decided. The judgment must award a sum certain amount and specify that the amount is to be paid by an individual who, at the time of application for the involuntary allotment, is a member of the Military Services.

(f) *Just financial obligations.* A legal debt acknowledged by the military member in which there is no reasonable dispute as to the facts or the law; or one reduced to judgment that conforms to the Soldiers’ and Sailors’ Civil Relief Act of 1940, as amended (50 U.S.C. appendix sections 501–591).

(g) *Member of the military services.* Any member of the Regular Army, Air Force, Navy, Marine Corps, or Coast Guard, and any member of a Reserve component of the Army, Air Force, Navy, Marine Corps or Coast Guard (including the Army National Guard of the United States and the Air National Guard of the United States) on active duty pursuant to 10 U.S.C. 672, for a period in excess of 180 days at the time an application for involuntary allotment is received by the Director, DFAS, or Commanding Officer, Coast Guard Pay and Personnel Center. The following shall not be considered members:

(1) Retired personnel, including those placed on the temporary or permanent disabled retired list; and

(2) Personnel in a prisoner of war or missing in action status, as determined by the Secretary of the Military Department concerned.

§ 112.4 Policy.

(a) Members of the Military Services are expected to pay their just financial obligations in a proper and timely manner. A Service member’s failure to pay a just financial obligation may result in disciplinary action under the Uniform Code of Military Justice (10 U.S.C. 801–940) or a claim pursuant to Article 139 of the Uniform Code of Military Justice (10 U.S.C. 939). Except as stated in this section, and in paragraphs (a)(1) and (a)(2) of this section, the Department of Defense Components have no legal authority to require members to pay a private debt or to divert any part of their pay for satisfaction of a private debt.

(1) Legal process instituted in civil courts to enforce judgments against